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09/100,684	06/19/98	TEDESCO	D WD2-98-019

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EXAMINER

MYHRE, J

ART UNIT

PAPER NUMBER

2767

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Please find below and/or attached an Office communication concerning this application or proceeding.

Commissioner of Patents and Trademarks

Office Action Summary

Application No.
09/100,684

Applicant(s)
Tedesco et al

Examiner
James Myhre

Group Art Unit
2767



☒ Responsive to communication(s) filed on Jun 19, 1998

☐ This action is **FINAL**.

☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

A shortened statutory period for response to this action is set to expire 3 month(s), or thirty days, whichever is longer, from the mailing date of this communication. Failure to respond within the period for response will cause the application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.136(a).

Disposition of Claims

☒ Claim(s) 1-26 is/are pending in the application.

Of the above, claim(s) _____ is/are withdrawn from consideration.

☐ Claim(s) _____ is/are allowed.

☒ Claim(s) 1-26 is/are rejected.

☐ Claim(s) _____ is/are objected to.

☐ Claims _____ are subject to restriction or election requirement.

Application Papers

☒ See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.

☐ The drawing(s) filed on _____ is/are objected to by the Examiner.

☐ The proposed drawing correction, filed on _____ is ☐ approved ☐ disapproved.

☒ The specification is objected to by the Examiner.

☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. § 119

☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).

☐ All ☐ Some* ☐ None of the CERTIFIED copies of the priority documents have been
☐ received.

☐ received in Application No. (Series Code/Serial Number) _____.

☐ received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

*Certified copies not received: _____

☒ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

Attachment(s)

☒ Notice of References Cited, PTO-892

☒ Information Disclosure Statement(s), PTO-1449, Paper No(s). 2 & 3

☐ Interview Summary, PTO-413

☒ Notice of Draftsperson's Patent Drawing Review, PTO-948

☐ Notice of Informal Patent Application, PTO-152

--- SEE OFFICE ACTION ON THE FOLLOWING PAGES ---

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DETAILED ACTION

Specification

1. The disclosure is objected to because of the following informalities:

On page 15, line 16, "record 615" should be "record 620".

Appropriate correction is required.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 1-10, 12, 14-18, 20, and 22-26 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Claims 1-10, 14-18, and 22-26 recite a series of steps and are considered for the purpose of analysis under 35 U.S.C. 101 as reciting a series of steps. Claims 12 and 20 recite a system on which the series of steps is run and are not limited to a specific machine; and are, therefore, considered for the purpose of analysis under 35 U.S.C. 101 as reciting a series of steps. The claims have, at best, a very tenuous connection to the technological arts. The claimed steps of selecting a customer account, determining if a second entity has a matching customer, and providing an offer to the customer could be performed manually, using well known manual

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techniques for stuffing envelopes and are, therefore directed to non-statutory subject matter. To overcome this objection, the Examiner recommends that the Applicant amends the claims to better clarify the system as being run on a computer. For example, in Claim 1 the preamble could be changed to read "A **computerized** customer acquisition method...." and the second line changed to read "selecting a customer account record **from an electronic customer account database** of a first entity,". Similar changes could be made to the other independent claims to overcome the above objection.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 1-12, 14-20, and 22-26 are rejected under 35 U.S.C. 112, second paragraph, as being incomplete for omitting essential steps, such omission amounting to a gap between the steps. See MPEP § 2172.01. The omitted steps are:

- a. Receiving acceptance of the offer from the customer, and
- b. Acquiring the customer by transferring the offer amount to the first entity by the second entity.

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Without these steps, the goal of the invention, "customer acquisition", as stated in the preamble of independent claims 1, 11, 12, 14, 20, and 22 has not been met. As presently worded, these claims only select appropriate customer accounts and send an offer to the individual. If the individual does not accept and return the offer, the second entity has not acquired a customer. And, even then, if the second entity does not honor the offer by transferring funds to the first entity, the offer "contract" has not been legally completed. Thus, no "customer acquisition" has taken place.

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 1, 11-13 are rejected under 35 U.S.C. 103(a) as being unpatentable over McNatt et al (Business Week) in view of Linnen et al (AT&T News Release).

Claims 1, 11-13: McNatt discloses a system and method used by AT&T to acquire customers by providing an acquisition offer (check) to the potential customer if they switched to AT&T as their long distance carrier. Linnen discloses that this system has been practiced by AT&T and others since at least 1990 (See "History of slamming" on page 1).

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While neither reference discloses how AT&T selects which potential customers are sent the offer (checks), Official Notice is taken that it is old and well known within the marketing arts to send acquisition solicitations to individuals who are not current customers of the business. The use of the customer database of a competitor or a third parties as a resource for potential customers which is cross-checked with the business' own customer database is also well known. It is also well known to identify customers within the database using a customer identifier, such as an account number, social security number, etc. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made that AT&T would select an individual who was not a current customer as the recipient of their acquisition offer (check) and to make this selection by comparing AT&T's customer database with another customer database. One would have been motivated to select the potential customer in this manner in order to reduce the overall cost of the marketing program by eliminating such offers to present customers.

8. Claims 2-10 and 14-26 are rejected under 35 U.S.C. 103(a) as being unpatentable over McNatt and Linnen as applied to claim 1 above, and further in view of Jermyn (6,026,370).

Claims 2-5 and 15: McNatt and Linnen disclose a system and method used by AT&T to acquire customers as in Claim 1 above, but neither explicitly disclose that the selection of the individual is based on satisfying predetermined criteria. Jermyn discloses a similar system and method to provide an offer to a competitor's customer by selecting individual's who meet certain predetermined criteria (col 2, line 59 - col 3, line 4; and col 6, line 61 - col 7, line 65) such as

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brand loyalty, number of members in the customer's household (demographic), address information (geographic), payment method (financial), and other demographic data. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to select the potential AT&T customers using similar criteria. One would have been motivated to select customers using predetermined criteria in order to increase the acceptance rate of the offer by targeting the most likely individuals.

Claim 22: McNatt, Linnen, and Jermyn disclose a system and method used by AT&T to acquire customers using predetermined criteria as in Claims 1 and 2 above. McNatt and Linnen also disclose that the potential customer must receive the offer, indicate acceptance (by signing the check), and become a customer of the second entity (switch to AT&T).

Claims 9, 18, and 25: McNatt, Linnen, and Jermyn disclose a system and method used by AT&T to acquire customers using predetermined criteria as in Claims 1, 2, 14, and 22 above. While none of the references disclose that the offer is being enclosed in a billing statement from the first entity, Official Notice is taken that it is old and well known within the marketing arts to insert advertisements (offers) in billing statements. In most instances, these advertisements are not for products of the billing entity, but are for products or services from third parties. These third parties normally pay the first entity a fee for inserting the advertisement. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to insert the AT&T offer into the billing statement of the first entity, such as the local telephone company. One would have been motivated to do this in order to decrease the postage cost of separate

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mailings to the second party and to provide increased revenue to the first party. (Examiner notes that recent changes in the law allowing local phone companies to offer long distance service may dampen their receptiveness to this type of arrangement.)

Claims 14 and 19-21: McNatt, Linnen, and Jermyn disclose a system and method used by AT&T to acquire customers using predetermined criteria as in Claims 1 and 2 above. As discussed in Claim 9 above, it is well known for the first entity to insert third party offers into its billing statements. It is also obvious that in order to do this, the second entity must provide the first entity with a list of customers whom the second entity has selected to receive the offer.

Claims 6, 7, 16, and 23: McNatt, Linnen, and Jermyn disclose a system and method used by AT&T to acquire customers using predetermined criteria as in Claims 1, 2, 14, and 22 above. While Jermyn discloses checking whether financial data from the customer database meets predetermined criteria, none of the references explicitly disclose that the customer database includes an amount due which is equal of less than a predetermined maximum amount. Official Notice is taken that it is old and well known within the marketing arts to make promotional offers to pay "up to" a certain amount. For example, Nabisco™ attaches coupons to boxes of vanilla wafers which offer to pay up to 40 cents on the purchase of bananas. If the shopper only purchases 32 cents worth of bananas, the merchant will redeem the coupon for only 32 cents, not the maximum 40 cents. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to check the amount due by the customer and to authorize payment "up to" a maximum set by the second entity. One would have been motivated to pay the

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amount due up to the maximum payment amount in order to ensure that the first entity does not receive a larger amount than what it was due.

Claims 8, 17, and 24: McNatt, Linnen, and Jermyn disclose a system and method used by AT&T to acquire customers using predetermined criteria as in Claims 1, 2, 14, and 22 above.

While none of the references disclose that the individual agrees upon acceptance of the offer to remain a customer of the second entity for a specified period of time, Official Notice is taken that it is old and well known within the marketing arts to present awards and incentives to new customers when they agree to remain customers for a specified period of time. For example, for years mobile telephones and now cellular telephones have offered numerous incentives, such as free phones, reduced rates, rebates, etc. to new customers who sign up for one, two, or more years of service. These agreements often included substantial penalties if the customer switched to another carrier within the contracted period of service. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to require the new customer to remain with the second entity for a specified period of time. One would have been motivated to require this in order to reduce the number of customers who hop from one service to other just to take advantage of the current offer, such as has been experienced by the online service providers who offer one month free internet connection when a user switches. Many users hop from one service provider to another, using up their free month of service, then canceling their account and signing with another service provider with a similar offer.

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Claim 10: McNatt, Linnen, and Jermyn disclose a system and method used by AT&T to acquire customers using predetermined criteria as in Claims 1 and 2 above. While none of the references explicitly disclose that AT&T determines if the individual has accepted the offer, it is inferred that AT&T would determine this from the checks which had been cashed.

Claim 26: McNatt, Linnen, and Jermyn disclose a system and method used by AT&T to acquire customers using predetermined criteria as in Claims 1, 2, and 22 above. McNatt and Linnen also disclose that the potential customer must receive the offer, indicate acceptance (by signing the check), and become a customer of the second entity (switch to AT&T). Examiner considers the act of signing the check as the equivalent as utilizing acceptance indicia on the billing statement. Furthermore, it is obvious that if the customer accepts the offer, this acceptance must somehow be communicated back to the second entity. Acceptance indicia are well known within the marketing arts and may take the form of check boxes, signatures, placing or removal stickers, etc. and that these indicia are located on other documents such as billing statements, game pieces, order forms, postcards, etc. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to also include a check box on the AT&T check to verify the customer's desire to switch to AT&T. One would have been motivated to include such an acceptance indicia in view of McNatt's discussion of the FCC guidelines to prevent "slamming".

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Conclusion

9. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

a. Boushy (5,761,647) discloses a system and method for implementing a national customer database which tracks casino customers and transmits offers to pay associated hotel bills, transportation bills, etc.

b. Crosskey et al (6,035,281) discloses a system and method for transmitting bills to customers which have been reduced through sharing the online cost with participating merchants and third party entities.

c. Holda-Fleck (5,729,693) discloses a system and method for providing an automatic electronic rebate by crediting the second entity's rebate to the customer's telephone bill. This reference could be used in support of a 35 U.S.C. 103 rejection of the claims.

d. Off et al (5,173,851) discloses a method and apparatus for providing coupons to customers based on the purchase of one or more corresponding products.

e. Beyers, II, et al (5,724,525) discloses a system and method for selecting groups of subscribers using predetermined criteria. This reference could be used in support of a 35 U.S.C. 103 rejection of the claims.

f. Mori (5,200,889) discloses a system for designating a portion of a refund due a customer to be applied to the present purchase.

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g. Imai (JP 5-257950) discloses a system and method for setting customer attributes and storing customer information in a database.

h. Tanaka (JP 10-187318) discloses a system and method for storing new customer information including checking for overlapping files.

Since the following references are listed on the International Search Report submitted by Applicant as part of paper number 3, copies are not being returned to the Applicant.

i. Watson (5,978,780) discloses a system for consolidating bills.

j. Plainfield et al (5,893,075) discloses a system and method for targeting customers of a restaurant, store, etc. using questionnaires.

k. Goldhaber et al (5,855,008) discloses a method for distributing advertisements and other information over a computer network by providing an immediate payment to the customer who views the advertisement.

l. Robinson et al (5,734,838) discloses a system using an intelligent network to manage an incentive award program at the time of purchase.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Exr. James W. Myhre whose telephone number is (703) 308-7843. The examiner can normally be reached on weekdays from 6:00 a.m. to 3:30 p.m.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tod Swann, can be reached on (703) 308-7791. The fax phone number for Formal or

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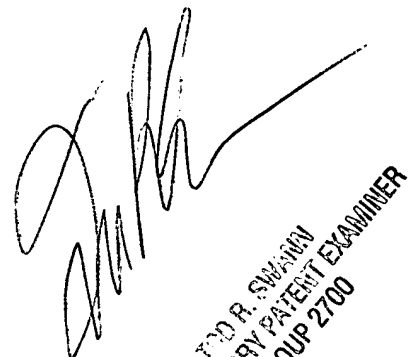
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Official faxes to Technology Center 2700 is (703) 308-9051 or 9052. Draft or informal faxes for this Art Unit can be submitted to (703) 305-0040.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703) 308-3900.


JWM

March 20, 2000


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SUPERVISORY PATENT EXAMINER
GROUP 2700